

## ADVANCED PRODUCERS OR MORAL POLLUTERS? CHINA'S BUREAUCRATIC-ENTREPRENEURS AND SEXUAL CORRUPTION

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### **Introduction**

There is a popular saying about the relationship between money, gender and sexual morality in the People's Republic of China (PRC): 'Men who get rich become immoral; women only get rich after they become immoral' (*nanren zheng qian jiu bian hui; nüren bian hui cai you qian*). Like most aphorisms, this observation appeals to commonsense or public perceptions of how things are. As one foreign correspondent explains:

In China these days, people are talking about sex—extramarital affairs, prostitution and rich men taking mistresses. Many are worried that sex is becoming a commodity, leading to the exploitation of women. This comes after years of government efforts to eradicate traces of pre-communist decadence (Kuhn 2007).

In the words of another: China's post-1978 shift from a planned to a market-based economy 'has lifted millions of people out of poverty and created a new class of millionaires'. However, unlike new freedoms and opportunities, 'get-rich-quick schemes, casual sex, and animosity between rich and poor', are worrying trends. Voices in the Chinese media and academia warn that economic progress has been accompanied by moral decay, which 'could destabilize society' (Chao 2005).

The argument that economic progress in the form of marketization sounds the death-knell for communitarian and traditional moral values is longstanding. Ever since ‘Marx wrote on alienation, Durkheim on anomie, and Weber on the iron cage of capitalism’, political commentators have either decried or praised the heightened individualism, secularism, and instrumental rationality, that is associated with the capitalist wage-labour system (Weller 1998: 78). Similarly, commentators have either condemned or lauded the globalization of free markets, which are usually associated with Western liberal democracies, for destroying local cultures and communities or for bringing much-needed civilizational progress to backward, despotic, and under-developed countries (Chua 2003; Fukuyama 1992).

In the case of China, a political economy that is characterized by the surprisingly successful, if unexpected, marriage of communism and the market (socialism with Chinese characteristics), public discussions of the links between rising wealth and declining morals draw on similar narratives of social change, albeit with different inflections. Deng Xiaoping’s advocacy of the slogan: ‘Let one segment of the population get rich first and guide others along the way’, and Jiang Zeming’s ‘Three Represents’ theory, which welcomes representatives of the advanced productive forces, i.e., private entrepreneurs, into the ranks of the Chinese Communist Party (CCP), are praised by many commentators in both China and the West for promoting unprecedented economic growth and catapulting China into a western-orientated model of modernity (see Herberer and Schubert 2006: 9-28).<sup>1</sup> Although Party stalwarts occasionally lament the perceived decline in socialist values that economic reform has brought in tow, those who associate market-based reforms with democratization routinely applaud private entrepreneurs for initiating a welcome rejection of the constraints associated with the former ‘puritanical Confucian-socialist system’ (e.g. Zheng 2006: 163-4). Indeed, for those who associate market-based reforms with political and social liberalization, China’s private entrepreneurs are at the vanguard of a newly emerging middle-class that has the potential to transform China’s authoritarian and traditional socio-political system into a modern and more liberal one.

Yet the Chinese public are said to mistrust China's 'brash and flashy generation' of new-rich entrepreneurs for making and spending their money in dubious ways (Toy 2007: 15). *Forbes'* 2006 China Rich List highlights the new opportunities that are available to entrepreneurs, with most of the wealth recorded coming from listed companies rather than inherited wealth, and 12 of the top 20 contenders being under 40 years of age (Gordon 2007). However, such new-found wealth is not always based on the neo-liberal ideal of a combination of innovation and hard work. Wong Kwong-yu, top of the *Forbes* 2006 China Rich List, is being investigated for illegal loans; Zhang Rongkun, a real estate and highway developer who made number 16 on the *Forbes* 2005 List was arrested in relation to a Shanghai fund scandal; and Zhou Zhengyi, a real estate magnate who made number 11 on a former *Forbes* List was jailed in 2003 for fraud and security offences (ibid.). Thus, contrary to President Hu Jintao's proclaimed goal of building a 'well-off and harmonious China', many commentators argue that the established links between flagrant corruption and personal wealth accumulation, as well as the growing disparity between the ostentatious high-consumption life-style of the new rich and that of the 'have-nots', are exacerbating the social tensions born of an increasingly inequitable and polarized society (Chao 2005; Gordon 2007; Kuhn 2007). These tensions are heightened by virtue of the seeming radical departure in the reform era from the characteristic egalitarianism, collectivism, and moral certainty, of the Maoist period (1949-76).

Public condemnation of China's new rich as corrupt polluters of socialist virtue is particularly pronounced in discussions of enterprising cadres or bureaucratic entrepreneurs. Unlike cadres under the pre-reform command economy, whose main responsibility was to implement the state plan and other party directives, bureaucratic entrepreneurs are party and state officials who are expected to display initiative in the marketplace, by engaging in revenue-generating and other activities directed at advancing economic development using the institutional power and resources of the communist system (Gore 1999: 30). They occupy a diverse range of positions, from mayors to provincial governors, enterprise managers to corporate CEOs, village chiefs to township directors, and 'from CCP party committee secretaries to ordinary party members holding

key positions in public administration' (Gore 1997). But they are unified as a group by the fact that their positions of power and authority flow from a top-down appointment. While earning far less than private entrepreneurs, they constitute part of China's new rich because of their extraordinary access to business opportunities and state resources, including investment capital, expensive foreign cars and good accommodation. Their lower income, yet privileged access to major resources, has reportedly encouraged corruption insofar as bureaucratic entrepreneurs 'can generate personal economic gains through illicit or illegal means more effectively than through legitimate mechanisms' (Gore 1997).

Apart from involvement in economic corruption, China's bureaucratic entrepreneurs are said to be particularly adept at exploiting their privileged access to public resources to secure the sexual services of women. Many recent high-ranking corruption cases have been linked to the new phenomenon of '*xing huilu*' or sex-related bribery and corruption (Jeffreys 2006: 159-78; Jin 2000: 83-7). The first and most notorious case involving allegations of sex-related bribery and corruption was that of Zhang Erjiang, the former Secretary of Tianmen City in Hubei Province. On 23-25 July 2002, Zhang Erjiang was tried for accepting bribes amounting to 700,000 yuan and US\$4,300, and for embezzling 100,000 yuan in public funds (Li Gang 2002). During the course of this trial, Chinese media reports focused not only on his economic crimes, but also on his arguably more serious yet 'not-punishable' moral crimes. Zhang had allegedly abused his position of power and authority to have sex with over 100 women, including 15 female cadres. Of these 15 cadres, seven women had received a promotion following from their affair with Zhang, as had the husbands of two others. Extrapolating from this and other cases, media reports contend that virtually 100 per cent of high-ranking corrupt officials who accept bribes and embezzle public funds either keep a mistress, exchange favours for sex, and/or hire the services of female sexual service providers (Dai and Lu 2000; Ji 2001; Li Zhufeng 2002: 22-3). More recent examples of bureaucratic entrepreneurs who have been implicated in scandals involving power, sex, and money, include: Vice Admiral Wang Shouye, previously one of five navy deputy commanders and a member of China's legislature, for accepting bribes from property developers (Watts 2006); and Shanghai

party secretary, Chen Liangyu, for involvement in the mismanagement of the city's social security fund (Savadore 2006).

This chapter examines the dichotomous construction of China's new (male) rich as both the most advanced productive forces and also as corrupt polluters of socialist morality. Section one provides an historical background by explaining how nineteenth century Western accounts of the middle classes as the standard-bearers of enlightened progress were inverted in twentieth century China via Marxist debates on social inequality and through the actions of the early Chinese Communist Party. Section two discusses how the new rich have been created and framed as the simultaneous heroes and villains of economic reform via debates on socialism with Chinese characteristics and issues such as mistress-keeping and prostitution. The third section concludes that Western constructions of China's new rich as the middle class vanguard of progressive social change are seriously challenged by their routine portrayal in China as both advanced economic producers and moral polluters. I argue that this particular 'group' is currently unable to challenge one important aspect of Chinese Communist Party politics—it has failed to present a serious challenge to the Party-state's historic claim to represent and struggle for social *and* sexual equality.

### **Who are our enemies? Who are our friends?**

In a 1926 article entitled, 'Analysis of the classes in Chinese society', Mao Zedong, the founder and former leader of the PRC, stated: 'Who are our enemies? Who are our friends? This is a question of the first importance for the revolution' (Mao Tse-tung 1926). Mao answered these questions in a 1940 article, 'On New Democracy', which was to become the political basis upon which the new state known as the People's Republic of China was founded in 1949 (Mao Tse-tung 1940). The PRC was envisioned as a 'new democratic dictatorship of the people' based on an alliance of the proletariat, the rural peasantry, and China's national and petit bourgeoisie,<sup>2</sup> under the leadership of the Chinese Communist Party. One of its primary goals was to oppose the enemies of the

revolution, namely, big landlords, major entrepreneurs, and representatives of the rival nationalist party (the Guomindang), for representing exploitative feudal, capitalist and imperialist forces. Unlike the former Soviet Union, Mao maintained that the PRC could not immediately establish a (socialist) dictatorship of the proletariat, because China had not yet undergone the pre-requisite Western-style bourgeois-capitalist revolution—processes of industrialization accompanied by the overthrow of the decadent upper-classes by the more progressive middle classes. Instead, Mao argued that due to China's unique experience as a semi-capitalist and semi-colonial country, the Chinese proletariat should unite as friends, but without compromising their revolutionary quality, with both the rural peasantry and the Chinese middle classes to form a new democratic dictatorship.

China's commercial and middle-classes occupied an ambiguous position within Mao's New Democracy formulation of the enemy/friend dichotomy. On the one hand, they were categorized as political friends, flowing from their historical opposition to Japan's invasion of China and their inevitable displacement of old-style, feudal social relations with new-style, capitalist relations of production. On the other hand, the very entanglement of China's commercial classes with 'capitalism' and the rival Guomindang meant that they were also defined as prone 'to conciliation with the enemies of the revolution', that is, as destined to oppose the PRC's future advance into socialism (Mao Tse-tung 1940). To restrict their inherent political conservatism, Mao proposed that the national bourgeoisie could assist the state with the goal of industrializing China, but that all large banks, and all large industrial and commercial enterprises, should be nationalized and placed under state administration, so that private capital would not be allowed to dominate the livelihood of the working people. At the same time, he advocated a land equalization policy, wherein land would be taken from the enemy landlord class and given to peasants, thereby abolishing exploitative feudal relations in the rural areas by turning the land over to the private ownership of the peasants (Mao Tse-tung 1940). This policy permitted small rich peasants or independent producers to flourish in the first instance as advanced agricultural producers who would fuel the production required to get the devastated Chinese economy back on its feet, following

years of warlordism, civil war, imperialist intervention, and war with Japan. Hence, the New Democracy version of the enemy/friend dichotomy was designed to garner as many ‘friends’ as possible to help with the all-important task of national and economic reconstruction, whilst simultaneously introducing a Marxist-based conception of people without property as being inherently more revolutionary and politically progressive than members of the commercial classes and former social elites.

The ambiguous positioning of China’s commercial classes as problematic friends was reinforced both prior to the founding of the PRC and throughout the 1950s via claims regarding the political and moral legitimacy of CCP rule, a claim which extended to the realm of sexual relations. As Gary Sigley (2006: 46) explains, the early CCP initially held radical views on sexual relations, for example, it promoted ‘a romanticized view of sexual liberation as part and parcel of human liberation’. However, these views were undermined by a corollary tendency to foster the latent hostility of CCP supporters towards those defined as enemies, often by highlighting the inequality and sexual decadence wherein rich landlords, private entrepreneurs, and members of the Guomindang, kept concubines and mistresses while ‘poor men struggled to find a solitary mate’ and earn a living (ibid.). Augmenting its claim to political legitimacy, the early CCP maintained that New China, being based on sound material conditions of social equality, inevitably would be morally superior to Old China. Specifically, the early CCP indicated that it had the capacity not only to rescue China from foreign aggressors, but also to overturn its derogatory appellation as ‘the Sick Man of Asia’. This appellation was ascribed to China by nineteenth century Western political philosophers by virtue of its characteristic corruption, feudal-style servitude of peasants, and the debased position of women, and it was viewed as a mark of national shame by many Chinese intellectuals. According to Mao Zedong, the CCP—and only the CCP—had the political vision required to create a New China that would be politically free, economically prosperous, and enlightened, i.e., that would not be kept ignorant and backward under the sway of Old China’s Confucian, semi-feudal, semi-capitalist, and imperialist culture (Mao Tse-tung 1940).

Claims regarding the political and moral superiority of Chinese socialism were given concrete expression through the actions of the newly-victorious CCP shortly after its adoption of political power in 1949. Following Engels ([1884] 1972), the early CCP viewed the institutions of prostitution and (Confucian-bourgeois) marriage as indicative of the debased position of women under feudal-capitalist patriarchy, and therefore as incompatible with the desired goals of building socialism and establishing more equitable socio-sexual relations (Jeffreys 2004: 76-8). Despite facing a daunting set of problems—a ruined economy, a wary population, and ongoing civil war, they implemented a series of campaigns that resulted in the virtual eradication of rampant prostitution and venereal diseases, and introduced the 1950 Marriage Law. This Law was the first item of legislation to be promulgated in the PRC and promoted free-choice marriage by outlawing arranged marriages and concubinage. These actions are celebrated to this day not only for demonstrating the political capacity and moral integrity of Chinese socialism, but also for effecting an ‘earth-shaking historic change in the social status and condition of women’ (Information Office 1994; Xin and Xiao (eds) 2000). Indeed, the revival of prostitution and mistress-keeping in the reform era is often presented as phenomena that the CCP successfully eliminated in the 1950s and must eliminate once again to demonstrate its continued moral and political legitimacy.

However, a combination of political events, not least of which was the advent of the Cold War and USA support of South Korea and Taiwan, meant that the New Democracy rendition of China’s national bourgeoisie as ‘friends’ proved to be short-lived. Captains of industry and former Nationalist-government bureaucrats were still viewed as useful members of the new state insofar as they could assist with the desired goal of advancing a nationalized program of rapid industrialization and establishing the necessary governmental structures to do so. But, in a climate of heightened political and national insecurity, fears regarding the inherent inclination of this group towards conciliation with ‘the enemies of the revolution’ became more pronounced (Mao Tse-tung 1940). These



fears were exacerbated by the severing of political and economic ties between the CCP and the former Soviet Union in the mid-1950s, flowing from Khrushchev's unexpected denunciation of Stalin and the corollary announcement that the Soviet Union and the USA could operate on the basis of 'peaceful coexistence', which implied the abandonment of support for international communism. The ensuing Sino-Soviet split led to accusations that the leadership of the former Soviet Union was revisionist—it was taking the revolution backwards towards capitalism (Chang 1978: 209-20).

Fears that the future of the PRC and the Chinese revolution were in jeopardy ensured that those defined as enemies or 'inclined towards conciliation' became the subject of escalating political and physical attack throughout the 1950s and 1960s. In the 1950s, a series of campaigns were launched initially against straightforward counterrevolutionary targets, such as members of the Guomindang, exploitative big landlords, and major entrepreneurs. However, as these campaigns gathered momentum they increasingly targeted fringe members of those groups—people who had thrown in their allegiances with the CCP and the new state, but whose political affiliations were viewed as suspect due to their class background and former affiliations. Associated campaigns against corruption among officialdom and economic crimes in private business during the early 1950s (*sanfan wufan*), and then against 'non-socialist' intellectual activity during the late 1950's anti-rightist campaign, ultimately culminated in the Great Proletarian Cultural Revolution, which is now dated as lasting from 1966 to 1976 (Strauss 2006: 891-912).

During the Cultural Revolution, members of the revolutionary classes, especially Chinese youth, were enjoined to attack China's newly engendered bourgeoisie, defined as those members of the Party and state personnel in positions of privilege and authority who were taking the capitalist road (Chang 1978: 209-20). While generating widespread anarchy and personal tragedy due to the arbitrary manner in which 'the (friendly) people' chose to target and abuse others as enemies, the concept of a capitalist-roader had quite specific

referents at the level of Marxism-Leninism-Mao Zedong theory. It referred to members of the CCP and state personnel who were accused of leading the revolution backwards into capitalism rather than forward into communism, either by taking advantage of their position to monopolize the redistribution of wealth, or else by promoting ‘capitalist’ relations of production, such as small production, material incentives, and a technological and managerial elite (ibid.).

The Cultural Revolution critique of corruption and capitalist relations of production also encompassed a condemnation of ‘the bourgeois style of life’, which included seeking and using personal advancement for individual profit and abusing state-allocated positions of power and authority to commandeer the sexual services of women (ibid.: 219; Honig 2003: 162-4). As with the CCP’s early efforts to foster hostility towards those defined as enemies by highlighting the decadence and social inequality wherein rich landlords and private entrepreneurs kept concubines and frequented prostitutes, such criticisms made sexual morality a major concern. Red Guards, in particular, often invoked charges of sexual ‘errors’ as part of broader political attacks on capitalist-roaders, indiscriminately targeting individual authors for promoting bourgeois (romantic) love and young, urban women for engaging in ‘inappropriate’ sexual relations (Honig 2003: 150-4).

Concomitantly, the CCP condemned state officials accused of sexually abusing young, urban women who had been sent-down to the rural countryside to engage in productive labour alongside the peasantry. For example, a 1970 Central Committee policy document establishes legal punishments for state officials who had obliged sent-down female youth to acquiesce to rape, or enter into marriage, in order to obtain access to scarce resources such as better food and jobs, and the possibility of a transfer back to their original urban location (ibid.: 163-4). The Cultural Revolution attack on China’s new bourgeoisie thus aimed to produce a new generation of revolutionary successors who would both uphold Chinese Marxism and actively oppose perceived feudal-capitalist practices that were deemed to foster hedonism, materialism, inequality, and sexual exploitation.

In short, the CCP's historical denunciation of the bourgeoisie runs counter not only to liberal accounts of the middle classes as the epitome of civic virtue and progressive political change, but also to popular constructions of contemporary entrepreneurs as the modern inheritors of that tradition, particularly in the context of developing countries. Simplistically speaking, Western liberal political theory describes the middle classes as emerging from the historical processes of industrialization and being at the forefront of progressive demands for franchise and liberal democracy. This account is bound-up with a theologically-informed view of human nature and capacities. As Tawney (1938) explains in *Religion and the Rise of Capitalism*, the liberal construction of the middle and commercial classes as the standard-bearers of enlightened progress turns on the conflation of personal character with personal success, or the assumption that the enterprising energy of the good, and implicitly godly, man will be rewarded with material success. One consequence of this liberal-protestant stress on individual character as opposed to circumstances is that poverty tends to be equated with moral failing, and individual wealth is viewed as a blessing that is occasionally abused, rather than as a natural object of moral suspicion (ibid.: 227-30).

Although the genealogy of modern entrepreneurship is more nuanced than portrayed here (Wahrman 1995), popular definitions of entrepreneurship clearly draw on the liberal-protestant assumption that success is tied to individual character, a character that is assumed to be progressive and, by definition, moral (at least in terms of adhering to entrepreneurial principles). This point can be illustrated with reference to web-based definitions of entrepreneurship. To summarize some standard examples: entrepreneurship is a mindset, personality is the key. An entrepreneur is an habitually creative, innovative, and educated risk-taker, someone who is the master of their own fate because they seek opportunities and exploit contacts and resources that other people do not see ('Entrepreneur' (n.d.); 'The entrepreneur' (n.d.)). These innovating entrepreneurs have a 'very American [read democratic] virtue': they 'want to make it possible for the whole population to enjoy products previously available only to the elite' (Pascall 2005).

In contrast, the early CCP followed the broad parameters of Marxist theory by repudiating the liberal-protestant ethos of nineteenth century Europe—that wealth is intrinsic to the individual and a fitting reward for civic and private virtue—and by condemning capitalism as being equivalent to theft and slavery (Marx 1967). Convinced that ‘human nature’ is a product of the particular system of political and economic relations that a society establishes for itself, the CCP set about smashing China’s old owners of the means of production, replacing them with a new bureaucratic and managerial group of Party-state personnel that was supposed to work selflessly in the interests of nationalized industry, the revolution, and the people. Yet, having created this group, the CCP promptly proceeded to denounce many of its members for constituting a new bourgeoisie, accusing them of promoting capitalist relations of production and perpetuating the feudal-Confucian exploitation of women (Chang 1978: 209-20).

Reference to these different genealogical underpinnings helps to explain why business people and individuals engaging in economic activities for personal profit continue to be viewed as morally suspect in economic-reform China. It also helps to explain why bureaucratic entrepreneurs, especially those whose life-styles are associated with high-level consumption practices and extra-marital affairs are routinely exposed to public scandal on the grounds of economic and sexual corruption. Indeed, to the extent that media accounts of the links between the new rich and corruption in China are apposite, corrupt bureaucratic entrepreneurs continue to be condemned as enemies of ‘the people with no property’ for abusing their positions of power and privilege to gain unfair access to public resources and female sexual services.

### **Socialism with Chinese characteristics**

China’s post-1978 shift to a market economy and the recent popularization of Jiang Zeming’s ‘Three Represents’ theory has overturned the Maoist enemy/friend dichotomy by actively encouraging members of the commercial classes to join the CCP in building socialism with Chinese characteristics. According to Jiang Zemin (2002), the Three Represents is about ‘keeping pace with the times and blazing new trails for the

development of Marxist theory': it means uniting with the innovative, advanced productive forces to make China strong and the Chinese people rich. Members of this group include: free-lance professionals, private entrepreneurs, managerial and technical staff employed by non-public and overseas-funded enterprises, and bureaucratic entrepreneurs as a matter of course. Jiang concludes that 'the people'—members of the working class, farmers and intellectuals—should unite with the pioneering, advanced productive forces, because: 'it is improper to judge whether people are politically progressive or backward simply by whether they own property or how much property they own'. Instead of equating personal wealth with political incorrectness, Jiang suggests that the Chinese public should judge members of new rich based on whether they uphold Chinese Marxism, how they have acquired and used their property, and how their work has contributed to the goal of building socialism with Chinese characteristics (ibid.).

While displacing the Maoist dichotomy of 'the people' versus 'the bourgeoisie', the concept of socialism with Chinese characteristics does not so much sever previous links between political and moral sensibility as reactivate them under the rubric of socialist spiritual civilization. In the words of Jiang Zemin (2002), the task of building socialism with Chinese characteristics requires attaching equal importance to material, economic development and spiritual civilization and therefore running the country 'by combining the rule of law with the rule of virtue' (accepted Chinese values). Although the precise nature of these values is debated, they clearly refer to principles enshrined in the Chinese Constitution and education system such as the 'Five Loves' or civic virtues—love of the motherland, the people, labour, science and socialism, and ultimately love of Chinese Marxism and the CCP (Li Ping *et al.* 2004: 449-64; Jiang 2002). They also refer to the historical accomplishments and renewed goals of the CCP in terms of eliciting public support for campaigns against the resurgent phenomena of corruption and prostitution, and, by implication, an incorrect preference for bourgeois, Western life-styles.

Hu Jintao, for example, prescribed a socialist concept of honour and disgrace at the Tenth National People's Congress in 2006 as follows: 'know plain living and hard struggle, do

not wallow in luxuries and pleasures' ('President Hu' 2006). Hu's virtuous living list was upheld by the *China Daily* as offering a positive contribution to China's efforts to produce an advanced socialist culture by trying to combat corruption and 'close the gap' between the elite who have profited from economic reforms and the poor majority (ibid.). His prescription revives calls associated with the early campaigns of the reform era which aimed to reinvigorate public belief in the historical accomplishments and values of Chinese socialism, in the form of late 1980s and early 1990s campaigns against spiritual pollution, (Western) bourgeois liberalization, and the 'six evils' (???). The dual advocacy of material and socialist spiritual civilization is therefore intended to expand the membership base of the CCP, whilst simultaneously inducing compliance from local networks of officials and entrepreneurs by encouraging them to act as model citizens and stopping them from engaging in corrupt and morally unacceptable behaviours.

The phenomenon of sex-related bribery and corruption (*xing huilu*) is one of the most recent and controversial expressions of cadre corruption and misconduct in China. Jin Weidong, a former MA student from the Law Faculty at Nanjing University, is credited with inventing this term when he presented a paper on the subject of sex-related bribery and corruption to the 'Jiangsu Province Seminar on Criminal Law Research' on 6 December 2000 (Meng 2001). In this paper, Jin acknowledges that the trade in power and sex (*quanse jiaoyi*) had taken place in Mao's China, in the form of both high and low-ranking cadres abusing their positions of power and authority to have sex with women in exchange for the promise of work transfers and promotions (Zhi 2001). That said, such practices remained highly restricted during the Maoist era due to the tight social control networks that were exercised through the regulation and development of the household registration and work-unit systems. In contrast, the practice of businessmen using or hiring female sexual service providers to bribe bureaucratic entrepreneurs into giving them favourable business deals or protection has become commonplace in the reform era. Hence, Jin concludes that the Chinese penal code should be amended to criminalize the activities of Party and government officials who accept or solicit a bribe in the form of sexual services (Dai and Lu 2000).

Jin Weidong's call to criminalize the phenomenon of sex-related bribery and corruption sparked widespread debate due to the popular perception that this far from virtuous form of corruption is increasing, despite the introduction of new legal sanctions. In China, the Communist Party's Central Commission for Discipline Inspection is responsible for handling corruption cases. Historically, this meant that high-ranking officials remained outside of the reach of the *Criminal Law*, being dealt with on the basis of Party disciplinary regulations and other administrative sanctions. However, since September 1997, when Chen Xitong's case was handed over to the courts, a growing number of high-ranking officials have been tried for corruption by the state procuratorial organs (Hao 1999: 414). Chen Xitong, former Mayor and Communist Party Secretary of the city of Beijing, was sentenced by a Chinese court in 1998 to 16 years imprisonment on charges of corruption and dereliction of duty. The public trial of this senior official coincided with the introduction of the PRC's revised *Criminal Law* of 1997, signifying a new understanding that all citizens are equal under the 'rule of law'.

The revised 'Chinese Communist Party discipline regulations' (1997: 15-16) also explicitly penalize cadre involvement in the trading of power and sex. Article 132 of these regulations, under the heading 'Mistakes that seriously violate socialist ethics', states that any party member who has sexual intercourse with others by 'using their powers, their superior or senior positions, seduction, cheating, or other means, shall be dismissed from their party posts'. Concomitantly, the Chinese government has sought to ban cadre involvement in the running of public entertainment venues and practices such as the use of public funds to cover entertainment costs that may also involve sex-related services. In the early 1990s, the National Bureau of Statistics estimated that between 60 and 70 per cent of the income accruing to high-grade hotels, guesthouses, restaurants and karaoke/dance venues, came from male bureaucratic entrepreneurs spending public funds to wine, dine, and purchase the company of women, at an estimated annual cost to the public of around 800 billion yuan (Jeffreys 2006: 168-9). Hence, during the mid to late 1990s, China's relevant authorities introduced a whole host of regulations designed to curb the spending of public funds within such venues and to ban members of the public security forces, and other kinds of government employees, both from running recreational

and entertainment venues and from protecting illegal business operations in this connection. These measures are now being enforced, not strictly on the basis of police-led campaigns and information derived from public informants, but also on the basis of disciplinary procedures that are integral to the reform era itself, namely, via the practice established in 1998 of auditing government officials, and thereby combining the resources of the CCP's disciplinary committees with those of the State Auditing Administration (*ibid.*).

Yet the majority of high-ranking corruption cases are still linked to the trade in power and sex. According to an unspecified investigation conducted in Guangzhou, Shenzhen and Zhuhai during 1999, more than 95 per cent of 102 high-ranking government officials who were tried for corruption had a 'mistress or second wife' (*bao ernai*), and some even had three or four mistresses (Shao 2002; Wang and Liu 2000). Investigations conducted by the Chinese Communist Party's Central Commission for Discipline Inspection and the All-China Women's Federation similarly suggest that virtually every corrupt official has a mistress or second wife (Xie Donghui 2003; Zhao 2001: 7). Given that the cost of keeping such women allegedly comes from public monies at an estimated cost of US\$700-1,000 per mistress per month, or else from funds provided by another party with the anticipation of obtaining illegitimate benefits, it is not surprising that the issue of sexual bribery and corruption has been publicly condemned as yet another instance of the perceived manifest abuse of power in China, and one that adds to the PRC's growing number of social problems relating to the family and marriage (Jeffreys 2006: 162).

A standard explanation for China's renewed trade in power and sex is that increased public tolerance of pre-marital and extra-marital affairs in the post-Mao era has meant that sexual affairs outside of marriage are no longer viewed as a political matter. Instead, sex between consenting adults is increasingly understood as a private affair, with practices relating to the selling and buying of sex and the keeping of a mistress being viewed as a moral or life-style problem, not as a legitimate target of punitive governmental intervention (Wang and Liu 2000). Concomitantly, the ostentatious life-styles associated with China's newly rich class of private business entrepreneurs have



become the paradoxical focus of public praise and condemnation, with many people desiring a taste of the 'good life' for themselves, and others criticizing the new rich for transgressing socialist values. Media reports, for instance, frequently condemn the high-consumption life-styles of China's business entrepreneurs, whilst simultaneously regaling their readers with voyeuristic stories of how such men can be recognized instantly by the presence of beautiful young women by their sides (ibid.).

Media reports suggest that growing public tolerance of extra-marital and commercial sex has encouraged the unlawful practice of businessmen using or hiring female sexual service providers to bribe party officials and company managers into giving them favourable business deals or protection (Li Zhufeng 2002: 22-3). As they argue, veteran cadres who have dedicated their life to the revolution are neither easily seduced by the offer of material forms of bribery, nor are they overly willing to engage in outright acts of embezzlement or graft (Meng 2001; Wang Jin 2002). The introduction of economic reforms undoubtedly has opened the window for a small if highly corrupt number of government officials to accept bribes and appropriate state resources on a grand scale. But the introduction of harsh legal sanctions against such measures, combined with the traditional Maoist condemnation of such activities and the raising of cadre salaries, has ensured that most Party members and working personnel of the state still view such activities as morally and politically reprehensible. Consequently, most working personnel of the state will reject offers of bribery unless the offer involves extraordinary sums of money or property (ibid.). However, when it comes to the issue of sex, the story is reportedly different. Cadres who would otherwise resist involvement in bribery and corruption are easily led on to the path of 'moral decay' because they no longer see the provision of sexual services as a political and social order problem (Zhao 2001). Recent cases therefore have involved not only new bureaucratic entrepreneurs (predominantly men between 29-49 years of age), but also veteran cadres of 59 years of age or older (Wang and Liu 2000; Watts 2006).

Media reports further insist that China's rapidly changing sexual culture has led to an increase in the practice of women offering themselves as a bribe to bureaucratic

entrepreneurs in return for work promotions and other opportunities (ibid.). A frequently cited example in this regard is the case of Jiang Yanping, who was tried on 20-23 March 2001 for embezzlement and abusing her official position to gain favourable business deals for members of her family (Da 2002). Although Jiang was subsequently castigated in the Chinese press as an example of ‘upstart official’ who obtained a senior position by sleeping with her superiors, she is also claimed to have defended her actions by stating: ‘In a male-dominated world, a smart woman has to exploit the value that men place on the female sex’ (Li Zhufeng 2002: 22-3). Flowing from an examination of this and other cases, media reporters maintain that the motivations for offering sex-related bribes have also proliferated. Apart from longstanding factors such as obtaining employment, promotion or a work transfer, they now include: gaining Party membership; obtaining housing; facilitating business deals; avoiding legal punishment; and promoting smuggling operations (Feng 2001: 93–6).

In sum, there is a broad consensus that something has to be done about the phenomenon of sexual bribery and corruption in China, but the question of whether that problem should be resolved by recourse to ‘the rule of law’ or ‘the rule of virtue’ is disputed. Those who oppose the criminalization of this phenomenon claim that it is essentially a moral issue, and therefore an inappropriate target of legally based governmental intervention (Jeffreys 2006: 159-78). They argue that recourse to the time-honoured method of seeking compliance through the provision of ideological and moral education, which now includes supervision by ‘the masses’ in the form of exposés in the Chinese media, constitutes a more appropriate response. Conversely, those who support the criminalization of sexual bribery and corruption tend to focus on legal and judicial reform in the name of consolidating China’s post-Mao shift to a ‘rule of law’. They insist that counter-arguments based on notions of mutual consent and privacy function to excuse the existence of sex-related bribery and corruption by portraying it as a ‘life-style problem’ of the propertied classes, rather than a serious social order problem (He (ed.) 2002). What contributors to both sides of this debate have in common is a belief that the ‘sex’ in sex-related bribery and corruption is neither moral nor right: it is an expression of bourgeois right insofar as the privileged access of bureaucratic entrepreneurs to public resources

and the commodified sexual services of women is viewed as an unfair display of their inequitable share of personal wealth proportional to the work they contribute to the development of socialism with Chinese characteristics.

## **Conclusion**

Western constructions of China's new rich as the middle class vanguard of progressive social change are undermined by the routine portrayal of this group in the Chinese media as both advanced economic producers and polluters of socialist virtue. Despite state-led efforts to improve the reputation of China's new rich, in the form of promoting provincial and national model entrepreneurs, the Chinese public reportedly still assumes that 'no rich man is a good man' and that private entrepreneurs are particularly prone to displays of extra-marital sexual impropriety in the form of hiring the services of female prostitutes and keeping 'second wives' (Toy 2007: 15). The ostentatious consumption of sexual services by private entrepreneurs as a means to affirm their wealth and privileged social status is also blamed for leading bureaucratic entrepreneurs on the road to moral decline. Such criticisms turn on the reactivation of former CCP claims to guarantee social and sexual equality, and, in doing so, offer both support and a challenge to the legitimacy of continued one-party rule.

Public condemnation of China's so-called 'mistress and prostitution boom' entails an explicit criticism of the CCP for creating the market conditions in which such phenomenon can flourish in the first place, whilst simultaneously upholding the Party-state's historically proven capacity and hence assumed capacity to redress them in the future. Indeed, although the Chinese media often present female sex sellers as 'fallen women' who will happily forsake their virtue for money, they also routinely present them as young, poor and rural women who are disadvantaged by the reform process, and who therefore deserve to be treated with sympathy and concern. Beijing lawyer, Zheng Baichun, for example, has recently established a website that provides legal advice to 'second wives' and advocates for 'mistress rights' on the grounds that such women are victimized by society, when they are themselves the victims of social and gendered

inequalities (<http://www.2n88.com>). The perceived decline in social and sexual equality in reform-era China is also integral to arguments that the existence of commercial sexual services in entertainment and leisure venues stems from the ongoing demand for such services by male members of the new rich, including private and bureaucratic entrepreneurs.

However, to the extent that voices in China's media and academia routinely call on the Chinese government to realize prosperity for all, and to resolve the interlinked problems of declining moral standards and sex-related corruption, it appears that China still needs the Chinese Communist Party. Media accounts of the dubious ways in which the new rich obtain and spend their wealth fuel public discontent over the growing chasm between China's 'haves' and have-nots', even as stories of corrupt cadres point to the CCP's declining legitimacy as the (moral) vanguard party. But the Chinese government and concerned academics are also portrayed as more determined and innovative than ever before in terms of creating new ways of preventing and controlling cadre corruption. More than 846,000 CCP members were penalized for corruption of various forms during 1988 to 2002. Stricter legal sanctions have been accompanied by the introduction of auditing and other practices designed to encourage governmental transparency, including establishing public accounts for repentant corrupt officials to return bribes. Government officials in Nanjing City, Jiangsu Province, are now required to register details both of their marital circumstances, and any long-term extra-marital relationship, in a move to curb sex-related bribery and corruption ('New anti-corruption method' 2005). The All-China Women's Federation has also launched a nationwide project to educate wives of leading officials about how to build a 'family firewall' against corruption ('China promotes anti-graft' 2006).

Viewed from this perspective, the modernizing mantra that 'economic reform demands (Western-style) political reform' not only ignores the evident and ongoing capacity of the CCP to transform itself by demanding political transparency and accountability within the parameters of one-party rule, it also overlooks the other myriad ways in which democratic political reform can be effected. Most notably, it discounts the diverse ways

in which voices in the Chinese media and academia have both drawn on and reinvented the historical legacy of the CCP to demand a form of political liberalization that includes issues of social and sexual equality as a matter of course. Social and gender equity is a component of modern democratic change that is given scant attention in most accounts of ‘why China does not need the Chinese Communist Party’. If criticisms of the sex-consumption practices of the new rich are anything to go by, this omission may be misplaced.

## Notes

1 The ‘productive forces’ is a central concept in Marxism. It refers to the combination of the means of production with human labour power and encompasses all those forces that are applied by people in the production process. The productive forces are thus the unity of the means of production—the tools (instrument) and the raw material (subject) you use to create something—and human labour, see Marxists.org (n.d.).

2 In Marxist parlance, the term ‘bourgeoisie’ refers to the class of modern capitalists, owners of the means of social production and the employers of wage labour. This class became synonymous with the middle and commercial classes in late nineteenth century Europe.

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